

LEGISLATIVE REFERENCE BUREAU

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No. _____

Legislative Reference Bureau

AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in the State System of Higher Education, further providing for establishment of the State System of Higher Education and its institutions, for board of governors, for the chancellor, for powers and duties of the board of governors, for councils of trustees, for powers and duties of councils of trustees and for power and duties of institution presidents.

INTRODUCED _____ **20** _____

By _____ **District NO.** _____

See next page for additional co-sponsors.

Prior Session _____

Referred to Committee on

Date _____ **20** _____

Reported _____ **20** _____

As Committed-Amended

Recommendation

By Hon. _____

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in the State System of Higher
6 Education, further providing for establishment of the State
7 System of Higher Education and its institutions, for board of
8 governors, for the chancellor, for powers and duties of the
9 board of governors, for councils of trustees, for powers and
10 duties of councils of trustees and for power and duties of
11 institution presidents.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 2002-A(a) introductory paragraph of the
15 act of March 10, 1949 (P.L.30, No.14), known as the Public
16 School Code of 1949, is amended and the section is amended by
17 adding a subsection to read:

18 Section 2002-A. Establishment of the State System of Higher
19 Education and its Institutions.--(a) Subject to the regulatory
20 powers conferred by law upon the State Board of Education, there
21 is hereby established a body corporate and politic constituting
22 a public corporation and government instrumentality [which

1 ~~shall]~~ to be known as the State System of Higher Education,
2 independent of the Department of Education, hereinafter referred
3 to as the system, which shall consist of the following
4 institutions and such other institutions, presently existing [~~or~~
5 ~~newly created, as may hereafter be admitted by the board in~~
6 ~~concurrence with other agencies as required by law]~~ or until
7 changed as provided under subsection (a.1):

8 * * *

9 (a.1) In accordance with section 2006-A(a)(13.2), the board
10 shall develop policies and procedures by which the board may
11 create, expand, consolidate, transfer, affiliate, dissolve or
12 close an institution or college. Before the creation, expansion,
13 consolidation, transfer, affiliation, dissolution or closure of
14 an institution or college, the board shall assess the respective
15 university's or college's financial stability, including student
16 support metrics, student success metrics and financial metrics.

17 * * *

18 Section 2. Section 2004-A(a)(7) and (b) of the act are
19 amended, subsection (a) is amended by adding a paragraph and the
20 section is amended by adding a subsection to read:

21 Section 2004-A. Board of Governors.--(a) The system shall
22 be governed and all of its corporate powers exercised by the
23 Board of Governors, which shall consist of twenty (20) members
24 to be appointed as follows:

25 * * *

26 (7) ~~[Fourteen (14) members shall be appointed by the~~
27 ~~Governor with the advice and consent of the Senate of which six~~
28 ~~(6) shall be selected from the citizens of the Commonwealth.~~
29 ~~Three (3) members of the fourteen (14) shall be students whose~~
30 ~~terms shall expire upon graduation, separation or failure to~~

1 maintain good academic standards at their institution and five
2 (5) of the fourteen (14) shall be trustees of constituent
3 institutions, however, no more than one trustee representing a
4 constituent institution. The student members shall be selected
5 from the presidents of the local campus student government
6 associations, or their local equivalent.] Eleven (11) members
7 shall be appointed by the Governor with the advice and consent
8 of the Senate of which six (6) members shall be selected from
9 the residents of this Commonwealth and five (5) members shall be
10 selected from trustees of constituent institutions, except that
11 no more than one trustee may represent a constituent
12 institution. A member appointed under this subsection shall have
13 expertise or substantial experience in one or more area,
14 including postsecondary education, finance, business, nonprofit
15 management, law or public administration.

16 (8) Three (3) of the members shall be students appointed by
17 the board under section 2006-A(a)(13.4). The student members
18 shall be selected with the advice and consent of institution
19 presidents. A student's term shall expire upon graduation,
20 separation or failure to maintain good academic standing at the
21 institution in which the student is enrolled.

22 (b) All members of the board appointed by the Governor[,
23 except for the students,] shall serve for terms of four (4)
24 years. The Governor and Secretary of Education shall serve so
25 long as they continue in office. Members of the board appointed
26 from the General Assembly shall serve a term of office
27 concurrent with their respective elective terms as members of
28 the General Assembly.

29 * * *

30 (d.1) A board member appointed under subsection (a)(7) may

1 be removed for cause by the Governor. A board member appointed
2 under subsection (a)(8) may be removed by the board.

3 * * *

4 Section 3. Section 2005-A(4) of the act is amended to read:

5 Section 2005-A. The Chancellor.--The chief executive officer
6 of the system shall be a chancellor, who shall be employed by
7 the board in accordance with clause (1) of section 2006-A. In
8 addition to those prescribed by the board, the chancellor shall
9 have the following duties:

10 * * *

11 (4) The chancellor shall assist the board in its appointment
12 of the presidents for the constituent institutions by submitting
13 to the board the name or names of individuals recommended by the
14 council of trustees [of the appropriate constituent institution
15 who shall involve students, faculty and alumni in the interview
16 and selection process used to formulate their recommendation].

17 The chancellor shall submit to the board the recommended salary
18 and other proposed terms of each such appointment. The board
19 shall have the right to refuse the recommendation of the local
20 council and to request that additional recommendations be
21 submitted by the council.

22 * * *

23 Section 4. Section 2006-A(a) introductory paragraph, (5),
24 (14) and (15) of the act are amended and the subsection is
25 amended by adding paragraphs to read:

26 Section 2006-A. Powers and Duties of the Board of
27 Governors.--(a) The Board of Governors shall have [overall
28 responsibility for planning and coordinating the development and
29 operation of the system. The powers and duties of the Board of
30 Governors shall be:] plenary power to make, issue and enforce

1 board policies, procedures and standards for the full
2 management, control and conduct of the instructional,
3 administrative and financial affairs of the system, including
4 powers and duties:

5 * * *

6 (5) To [create] approve new undergraduate and graduate
7 degree programs, which shall not be subject to the rules and
8 regulations of the State Board of Education; to approve
9 extension campuses and new external degree programs subject to
10 the rules and regulations of the State Board of Education; to
11 promote cooperation among institutions, including the
12 development of consortia within the system and other educational
13 institutions and agencies.

14 * * *

15 (13.2) To create, expand, consolidate, transfer, affiliate,
16 dissolve or close an institution or college.

17 (13.3) To require institutions to share services and to
18 participate in collaborations.

19 (13.4) To appoint student members to the board and councils.

20 (14) To make all reasonable [rules and regulations] policies
21 and procedures necessary to carry out the purposes of this
22 article and the duties of the board.

23 (15) To do and perform generally all of those things
24 necessary and required to accomplish the role and objectives of
25 the system, unless otherwise delegated by the board to the
26 chancellor.

27 * * *

28 Section 5. Sections 2008-A, 2009-A and 2010-A introductory
29 paragraph, (1), (2), (5), (10.1), (11), (12), (13) and (14) of
30 the act are amended to read:

1 Section 2008-A. Councils of Trustees.--(a) The council of
2 each of the institutions shall consist of eleven (11) members
3 who, except for student members, shall be nominated and
4 appointed by the Governor with the advice and consent of the
5 Senate. At least two (2) members of the eleven (11) member
6 council of trustees shall be alumni of the institution. Except
7 for student trustees, a trustee appointed under this subsection
8 shall have expertise or substantial experience in one or more
9 area, including postsecondary education, finance, business,
10 nonprofit management, law or public administration.

11 (b) [Ten (10) members of each council shall serve terms of
12 six (6) years, respectively, and until their respective
13 successors are duly appointed and qualified. One (1) member of
14 each council shall be a full-time undergraduate student in good
15 academic standing, other than freshman, enrolled for at least
16 twelve (12) semester hours at the institution of which he is a
17 trustee. The student member shall serve a term of four (4) years
18 or for so long as he is a full-time undergraduate student in
19 attendance at the institution of which he is a trustee,
20 whichever period is shorter, and is in good academic standing.
21 Vacancies occurring before the expiration of the term of any
22 member shall be filled in like manner for the unexpired term.
23 Student members of the Council of Trustees shall be appointed by
24 the Governor and shall not be subject to Senate confirmation. If
25 a student member is temporarily unable, for medical or valid
26 academic reasons, to fulfill the responsibilities of office, the
27 Council of Trustees may request that the Governor appoint an
28 otherwise qualified student to serve as an alternate until the
29 return of the student member.

30 (c) The members of each board of trustees of a former State

1 college or university serving in such capacity on the effective
2 date of this act shall continue to serve for the balance of
3 their respective terms.] Ten (10) members of each council shall
4 serve terms of four (4) years, respectively and until their
5 respective successors are duly appointed.

6 (b.1) One (1) member of each council shall be a student
7 appointed by the board under section 2006-A(a)(13.4). The
8 student member shall serve a term of four (4) years or for so
9 long as the student is a full-time student in attendance at the
10 institution of which the student is a trustee, whichever period
11 is shorter, and is in good academic standing. If a student
12 member is temporarily unable, for medical or valid academic
13 reasons, to fulfill the responsibilities of office, the Council
14 of Trustees may appoint an otherwise qualified student to serve
15 as an alternate until the return of the student member.

16 (b.2) A trustee appointed under subsections (a) and (b.1)
17 may be removed for cause by the board.

18 (b.3) Vacancies occurring before the expiration of the term
19 of any member shall be filled in like manner for the unexpired
20 term.

21 (d) Six (6) members of a council shall constitute a quorum.
22 Each council shall select from its members a chairperson and a
23 secretary to serve at the pleasure of the council. Each council
24 shall meet at least quarterly, and additionally at the call of
25 the president, or its chairperson, or upon request of three (3)
26 of its members.

27 Section 2009-A. Powers and Duties of Councils of Trustees.--

28 (a) In accordance with [the rules and regulations] policies,
29 procedures and standards adopted by the board, the council of
30 each institution shall have the power and its duty shall be:

1 (1) To make recommendations to the chancellor for the
2 appointment[,] and retention [or dismissal] of the president
3 following [consultation with] input by students, faculty, staff
4 and alumni.

5 (1.1) To make recommendations to the chancellor for the
6 dismissal of the president.

7 (2) To assist the president in developing proper relations
8 and understanding between the institution and its programs and
9 the public, in order to serve the interests and needs of both.

10 [(3) To review and approve the recommendations of the
11 president as to standards for the admission, discipline and
12 expulsion of students.]

13 (4) To review and [approve the recommendations of] provide
14 input to the president pertaining to policies and procedures
15 governing the use of institutional facilities and property.

16 (5) To approve schools and academic programs.

17 (6) To review and approve the recommendations of the
18 president pertaining to annual operating and capital budget
19 requirements for forwarding to the board.

20 (7) To review and approve charges for tuition, room and
21 board and other fees except student activity fees and any fees
22 related to the provision of contracted health services.

23 [(8) To conduct an annual physical inspection of facilities
24 and make recommendations regarding maintenance and construction
25 to the board.]

26 (9) To review [and approve all] contracts and purchases
27 negotiated or awarded by the president, including any contract
28 or purchase reports, with or without competitive bidding and all
29 contracts for consultative services entered by the president.

30 (10) To represent the institution at official functions of

1 the Commonwealth.

2 (11) To take such other action as may be necessary to
3 effectuate the powers and duties herein delegated.

4 (12) In accordance with the evaluation procedure established
5 by the board each council shall conduct an evaluation of the
6 president and forward the results of that evaluation with
7 recommendation to the chancellor for submission to the board.

8 (13) By resolution adopted by the council to authorize
9 campus police who have completed firearms training in accordance
10 with 53 Pa.C.S. § 2167(a) (relating to police training) to carry
11 firearms in the course of duty for any institution whose campus
12 police are authorized to carry firearms on the effective date of
13 this paragraph, the authority to carry firearms shall remain in
14 effect unless the council by resolution dissolves such
15 authority.

16 Section 2010-A. Power and Duties of Institution
17 Presidents.--The president of each institution shall be
18 appointed by the board. The president shall be the chief
19 executive officer of that institution. [He] The president shall
20 have the right to attend all meetings of the council of that
21 institution and shall have the right to speak on all matters
22 before the council but not to vote. Subject to the stated
23 authority of the board and the council, each president shall
24 have the following powers and duties:

25 (1) Except insofar as such matters are governed by
26 collective bargaining agreements entered pursuant to the act of
27 July 23, 1970 (P.L.563, No.195), known as the "Public Employe
28 Relations Act," and subject to the policies of the board, to
29 appoint such employes, professional and noninstructional,
30 graduate assistants, etc. as necessary, to fix the salaries and

1 [benefits of employes, professional and noninstructional, and to
2 establish policies and procedures governing employment rights,
3 promotion, dismissal, tenure, leaves of absence, grievances and]
4 salary schedules.

5 (2) To make and implement specific campus policies
6 pertaining to instructional programs, research programs and
7 public service programs and define academic standards in
8 accordance with policies of the board [following consultation
9 with the council, faculty and students].

10 * * *

11 (5) To establish policies and procedures governing the use
12 of institutional facilities and property in [accordance with
13 guidelines established by] consultation with the local council.

14 * * *

15 (10.1) Within the limitations of the operating budget and
16 other available funds in accordance with the procedures
17 established by the board [and with the approval of the local
18 council,] to negotiate and award all contracts for equipment,
19 services and supplies in excess of a cost of a base amount of
20 eighteen thousand five hundred dollars (\$18,500), subject to
21 adjustment under section [120] 2003-A.1(c.3), on a competitive
22 bid basis [and]. Contracts to purchase instructional,
23 educational, extracurricular, technical, administrative,
24 custodial and maintenance equipment and supplies not in excess
25 of a cost of a base amount of eighteen thousand five hundred
26 dollars (\$18,500), subject to adjustment under section [120]
27 2003-A.1(c.3), may be procured, without competitive bidding,
28 except that such items shall not be bought in series to avoid
29 the dollar ceiling.

30 (11) To cooperate with and accept grants and assistance from

1 Federal and State agencies, local governments or other political
2 subdivisions, foundations, corporations, or any other source for
3 any of the lawful purposes of the institution. Each institution
4 shall have the power to bank and use such grants as directed by
5 the grantor in accordance with applicable board policy and
6 subject to the limitations of this act[, except that grants and
7 assistance from sources other than State agencies, local
8 governments or other political subdivisions shall not be subject
9 to the provisions of clause (10)]. All moneys received from
10 sources authorized by this section are hereby appropriated to
11 each of the several institutions granted such moneys. All such
12 moneys shall be subject to audit by the Auditor General.

13 (12) To authorize personnel to travel within or without the
14 Commonwealth at institutional expense [in accordance with
15 regulations of the council].

16 (13) Within the limitations of the operating budget and
17 other available funds, to enter into contracts for consultative
18 service [not to exceed five thousand dollars (\$5,000) per
19 contract].

20 (14) To enter into contracts [in accordance with policies of
21 the council,] to enable students to engage in student teaching
22 or other training in order to obtain experience in a particular
23 field.

24 * * *

25 Section 6. All acts and parts of acts are repealed and all
26 regulations and parts of regulations are abrogated insofar as
27 they are inconsistent with this act.

28 Section 7. This act shall take effect in 60 days.

